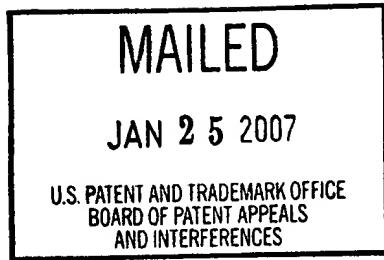


The opinion in support of the decision being entered today
was *not* written for publication and
is *not* binding precedent of the Board.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte AMY MULDERRY, WILLIAM J. STUTZMAN and
HOLLEY VANTREASE



Appeal No. 2006-2927
Application No. 09/473,649
Technology Center 3600

Decided: January 25, 2007

Before STUART S. LEVY, ROBERT E. NAPPI and ANTON W.
FETTING, *Administrative Patent Judges*.

NAPPI, *Administrative Patent Judge*.

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134 of the final
rejection of claims 1, 2, 4, 5, and 7 through 9. For the reasons stated *infra*
we will not sustain the Examiner's rejection of these claims.

THE INVENTION

The invention relates to a method for permitting a user to buy merchandise, over the internet, from multiple vendor sites, after a single entry of credit card information. See page 4 of Appellants' specification. One example of a use for the system is to offer a customer of a site a free gift, of an item, from a second vendor which will lead to a future obligation to pay for continued receipt of the item (e.g. a predetermined number of free periodicals for a trial period followed by a paid subscription). See page 5 of Appellants' specification. Claim 1 is representative of the invention and is reproduced below:

1. A method of completing a plurality of transactions on a computer network involving at least one customer computer directly operated by a customer and a plurality of merchant computers, said method comprising the following steps:

transmitting an offer from a first merchant computer to a customer computer;

transmitting information inputted by the customer from the customer computer to the first merchant computer in response to the offer;

utilizing the information inputted by the customer to process the offer, wherein said information inputted by the customer contains a payment method and customer identification data required by said first merchant computer to process said offer;

transmitting a second offer from a second merchant computer to said customer computer;

transmitting said information inputted by the customer from said first merchant computer to said second merchant computer, provided said customer computer accepts said second offer[,]

processing said information inputted by the customer by said second merchant computer;
causing a merchandise to be delivered to the customer associated with said information inputted by the customer; and
automatically debiting a customer account for a purchase corresponding to said information inputted by the customer after said merchandise has been delivered, provided said customer does not cancel future delivery of said merchandise.

THE REFERENCES

The references relied upon by the Examiner are:

Watanabe	5,543,607	Aug. 06, 1996
Walker	5,926,796	Jul. 20, 1999
		(filed May 05, 1997)

THE REJECTION AT ISSUE

Claims 1, 2, 4, 5, and 7 through 9 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Walker in view of Watanabe. Throughout the opinion we make reference to the Brief and the Answer for the respective details thereof.

OPINION

We have carefully considered the subject matter on appeal, the rejection advanced by the Examiner and the evidence of obviousness relied upon by the Examiner as support for the rejection. We have, likewise, reviewed and taken into consideration, in reaching our decision, Appellants'

arguments set forth in the Brief along with the Examiner's rationale in support of the rejections and arguments in rebuttal set forth in the Examiner's Answer.

With full consideration being given to the subject matter on appeal, the Examiner's rejection and the arguments of Appellants and the Examiner, for the reasons stated *infra* we will not sustain the Examiner's rejection of claims 1, 2, 4, 5, and 7 through 9.

Appellants argue on pages 10 through 13 of the Brief, that Walker and Watanabe do not teach the claimed step of "automatically debiting a customer account for a purchase corresponding to said information inputted by the customer after said merchandise has been delivered, provided the customer does not cancel future delivery of said merchandise." Appellants assert that Walker teaches a system where a customer can buy a subscription for a periodical at a point of sale terminal, and that this constitutes manual debiting of the customer account. See pages 10 and 11 of the Brief. Further, Appellants assert that automatically debiting a customer account is not inherent in Walker's system, reasoning that while Walker teaches instructing the subscription database to deliver one less than the normal number of issues if a single issue has been delivered, the payment for the subscription is collected manually from a cashier at a POS terminal. Further, on page 14 of the Brief, Appellants argue that one would not be motivated to combine the teachings of Walker and Watanabe.

The Examiner responds, on pages 6 through 9 of the Answer, stating that the step of automatically debiting the customer's account is inherent to the teaching of Walker. The Examiner reasons that claim 1 is not limited to debiting the customers' charge, or payment account, but rather broad enough to include the customer's subscription account which the publisher maintains for each customer. Further, with regard to Appellants' arguments directed to motivation to combine the references, the Examiner states:

Walker et al. and Watanabe et al. each disclose systems comprising check-out point-of-sale terminals. The check-out point-of-sale terminal of Walker et al. is operated by a store clerk, which was typical up until the advent of the self-service type of check-out point-of-sale terminal, which self-service type of check-out point-of-sale terminal is the type of check-out point-of-sale terminal disclosed by Watanabe et al. Thus, the *only* teaching of Watanabe et al. relied upon by the rejection is for the teaching of operating a check-out point-of-sale terminal directly by a customer, rather than by a store clerk. As for the motivation to make such a modification to a check-out point-of-sale terminal, clearly Watanabe et al. discloses the motivation to operate a check-out point-of-sale terminal by a customer instead of a store clerk, since that is the entire point of the Watanabe et al. invention/disclosure (i.e., the main, if not only, patentable distinction of the Watanabe et al. system over the prior art of the time). (Answer, page 8).

We concur with the Examiner's findings concerning motivation to combine Walker and Watanabe, however we disagree with the Examiner's interpretation of the claim and findings regarding Walker. In this case we consider that one skilled in the art, given Watanabe's disclosure of a self service point of sale device, would have found it obvious to replace

Walker's point of sale terminal, staffed by a cashier, with a self service point of sale device. However, as discussed *infra*, we do not find that the combined teachings of Walker and Watanabe teach or suggest "automatically debiting a customer account for a purchase corresponding to said information inputted by the customer after said merchandise has been delivered, provided said customer does not cancel future delivery of said merchandise."

Claim 1, recites "transmitting information inputted by the customer from the customer computer to the first merchant computer in response to the offer; utilizing the information inputted by the customer to process the offer, wherein said information inputted by the customer contains a payment method and customer identification data required by said first merchant computer to process said offer" and "causing a merchandise to be delivered to the customer associated with said information inputted by the customer; and automatically debiting a customer account for a purchase corresponding to said information inputted by the customer after said merchandise has been delivered, provided said customer does not cancel future delivery of said merchandise." Independent claim 7 contains similar limitations. Thus, the scope of independent claims 1 and 7 includes a step where information is inputted by the customer, and the information contains payment method and customer identification. Claims 1 and 7 also include a step where the customer's account is debited corresponding to the information input by the customer. Further, the debit automatically occurs after the merchandise has

been delivered. Thus, the claim scope is broad enough to automatically debit an account based upon manual entry of payment information.

As discussed by the Examiner and the Appellants Walker teaches a system where a customer pays for a magazine subscription at a point of sale terminal. In combination with Watanabe, the point of sale terminal is a self serve terminal. Walker teaches that when the sale of a subscription is made, the customer provides information including address and payment method. See column 10, lines 4 through 25, figures 11 and 12. The customer pays for the subscription at that time, i.e., the customer's account is debited to pay for the subscription. See column 10, lines 56 through 63. We do not find that in Walker, the customer is automatically debited after a magazine is delivered provided the customer does not cancel future delivery. Further, we disagree with the Examiner that a subscription account which may be decremented by one issue, meets this limitation. We find no disclosure of Walker which teaches that a subscription account is debited provided the customer does not cancel future delivery. Further, as discussed *supra*, the claimed automatic debiting corresponds to the information inputted by the customer; we find no disclosure of the customer inputting information relating to a subscription account that is later debited. For the forgoing reasons we will not sustain the Examiner's rejection, under 35 U.S.C. § 103(a), of independent claims 1, 7 and the claims depend thereupon claims 2, 4, 5, 8 and 9.

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For the forgoing reasons, we will not sustain the Examiner's rejection, of claims 1, 2, 4, 5, and 7 through 9 under 35 U.S.C. § 103. The decision of the Examiner is reversed.

REVERSED



STUART S. LEVY
Administrative Patent Judge

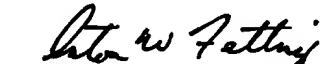
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ROBERT E. NAPPI
Administrative Patent Judge

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Administrative Patent Judge

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Application No. 09/473,649

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